

DOCKET SECTION

BEFORE THE
POSTAL RATE COMMISSION

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POSTAL RATE AND FEE CHANGES, 1997

DOCKET NO. R97-1

**INTERROGATORIES OF UNITED PARCEL SERVICE
TO PARCEL SHIPPERS ASSOCIATION WITNESS MULLIN
(UPS/PSA-T2-1 through 11)**

(January 20, 1998)

Pursuant to the Commission's Special Rules of Practice, United Parcel Service hereby serves the following interrogatories and request for production of documents directed to Parcel Shippers Association witness Mullin (UPS/PSA-T2-1 through 11).

Respectfully submitted,



John E. McKeever
Albert P. Parker, II
Stephanie Richman
Attorneys for United Parcel Service

SCHNADER HARRISON SEGAL & LEWIS LLP
1600 Market Street, Suite 3600
Philadelphia, Pennsylvania 19103-7286
(215) 751-2200

and

1225 Eye Street, N.W., Suite 600
Washington, D.C. 20005-3914
(202) 463-2900

Of Counsel.

**INTERROGATORIES FROM UNITED PARCEL SERVICE
TO PARCEL SHIPPERS ASSOCIATION WITNESS MULLIN**

UPS/PSA-T2-1. Please refer to the first paragraph on page 4 of your testimony. Please explain the difference between "direct marketers" and "direct selling companies."

UPS/PSA-T2-2. Please refer to the first paragraph on the first page of your testimony.

(a) Does Avon use Priority Mail or Express Mail? If so, state which is used and the extent to which it is used.

(b) Does Avon use expedited services offered by carriers other than the Postal Service? If the answer is "yes," please identify which carriers and services are used.

UPS/PSA-T2-3. Please refer to the testimony of witness Jellison (PSA-T-1), also on behalf of the Parcel Shippers Association. Mr. Jellison discusses a survey of the members of PSA. Was Avon Products one of the 35 respondents to the survey? If the answer is "no," please explain why not.

UPS/PSA-T2-4. Please refer to line 6 on page 3 of your direct testimony, and to line 2-3 on page 5. Please define the term "effective competitor" as you use it in those places.

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UPS/PSA-T2-5. Please define the term "monopolist" as you use it in the last sentence of the first full paragraph on page 3.

UPS/PSA-T2-6. Please refer to the testimony of witness Jellison (PSA-T-1), on page 7, the second full paragraph.

(a) Do you confirm that Mr. Jellison reports that the survey of PSA members shows that "the USPS has a forty-nine percent (49%) share" for Parcel Post. Please explain any answer other than an unqualified confirmation.

(b) Do you have any reason to disagree with this finding?

UPS/PSA-T2-7. Please provide the number of packages shipped by Avon and the amount of revenue paid by Avon to the United States Postal Service for each of the most recent three years (i.e., 1995, 1996, and 1997).

UPS/PSA-T2-8. Please provide a breakdown by subclass and rate category of the number of parcels shipped by Avon through the Postal Service for each of the most recent three years (i.e., 1995, 1996, and 1997).

UPS/PSA-T2-9. Please provide the percentage of parcels shipped during 1997 by Avon using UPS which paid UPS's rates for residential deliveries.

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UPS/PSA-T2-10. Please refer to the last 2 lines of page 1 of your testimony, where you indicate that Avon "utilizes a variety of transportation companies to ensure timely and efficient delivery of its merchandise to its customers."


(a) Identify all transportation companies used by Avon (a) at present and, separately, (b) at any time during 1997, to effect delivery of Avon's products.

(b) Please provide the volumes shipped by Avon in the most recent fiscal year for all such transportation companies combined.

UPS/PSA-T2-11. Please refer to the last paragraph at the bottom of page 4 of your testimony, where you indicate that there are "some 7.2 million nationwide in the direct selling business, accounting for nearly \$18 billion worth of products and services sold." Please provide the basis for the figures contained in this statement.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document in accordance with section 12 of the Commission's Rules of Practice.


John E. McKeever

Dated: January 20, 1998
Philadelphia, PA